

SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD

ORDINANCE NO. 12

Ordinance of the San Diego Metropolitan Transit
Development Board approving the form and authorizing
the execution of a Sublease Agreement, as Amended,
Between the Board and the County of San Diego

WHEREAS, the San Diego Metropolitan Transit Development Board (the "Board") has instituted proceedings to finance the acquisition and construction of an office building and parking structure (the "Facilities") on that certain land (the "Site") (together, the "Project") located in the City of San Diego and more particularly described in Exhibit A to the form of Lease Agreement, As Amended, by and between the San Diego Regional Building Authority (the "Authority") as lessor and the County of San Diego (the "County") as lessee (the Lease Agreement"); and

WHEREAS, the Board proposes to sublease a portion of the Project from the County pursuant to a sublease agreement, as amended, by and between the County and the Board (the "Sublease Agreement, As Amended") and to pay certain sublease payments thereunder in the amounts and at the times sufficient, together with payments made by the County under the Lease Agreement, to provide for the retirement of lease revenue bonds (the "Bonds") issued by the Authority to finance the acquisition, construction and improvement thereof: and

WHEREAS, the Board is required by Article 9 of Chapter 5 of Part 1 of Division 2 of the California Government Code (commencing with Section 54240 of said Code) to approve the Lease Agreement by ordinance which is subject to referendum; and

WHEREAS, the 1987 Bonds bear interest at a variable rate of interest; and

WHEREAS, the Board, the County and the Authority have determined to refund the 1987 Bonds with an issue of Bonds of the Authority (hereinafter defined as the "1989 Bonds") which will bear interest at fixed rates of interest; and

WHEREAS, in order to accurately reflect the Board's obligation to pay the Board's proportionate share of principal of and interest on the 1989 Bonds, it is necessary to approve the Sublease Agreement, As Amended, a copy of which is on file with the Clerk of the Board; and

NOW, THEREFORE, BE IT ORDAINED BY THE SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD AS FOLLOWS:

SECTION 1: Findings and Determinations

The San Diego Metropolitan Transit Development Board hereby finds and determines that it is necessary and proper for Board purposes that the Board enter into the Sublease Agreement, As Amended, with the County.

SECTION 2: Approval of Sublease Agreement, As Amended

The Board hereby approves, and authorizes and directs the Chairman of the Board to execute and the Clerk of the Board to attest and affix the seal of the Board to, the Sublease Agreement, As Amended, in substantially the form thereof on file with the Clerk of the Board, together with any changes as may be approved by the General Manager or Director of Administration and Controller and which do not materially affect the substance or materially increase the obligations of the Board; provided that such Sublease Agreement, As Amended, shall not be executed until the Facilities have been built. For purposes of this Ordinance, the Facilities will be considered built upon the Completion Date (as that term is defined in the Sublease Agreement, As Amended). The total principal components of the Sublease payments to be paid by the Board under the Sublease Agreement, As Amended, shall not exceed the amount of \$11,344,720. The amount of the lease payments to be made by the Board to the County under the Sublease Agreement, As Amended, shall conform to the Board's proportionate share of principal and interest payments of the lease revenue bonds to be issued by the Authority pursuant to that First Supplemental Trust Indenture, dated as of May 1, 1989, to finance the acquisition and construction of the Facilities; plus its proportionate share of ground rent to be made under the Ground Lease. the Board shall also be required under the Sublease Agreement, As Amended, to pay additional payments (as defined in the Sublease Agreement, As Amended).

SECTION 3: Official Actions

The Chairman of the Board, the General Manager, the Director of Administration and Controller, the Clerk of the Board, the General Counsel to the Board and any and all other officers of the Board are each authorized and directed in the name and on behalf of the Board to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the execution and delivery of the Lease Agreement by the Board upon completion of the Facilities.

SECTION 4: Effective Date of Ordinance

This Ordinance shall become effective thirty (30) days from and after the date of its final passage. This Ordinance shall be subject to referendum pursuant to and as provided in Section 54241 of the Government Code of the State of California and the laws of the State of California.

Adopted: 4/13/89

JPL:lst
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11/23/90